

H-8032

1 Amend House File 2361 as follows:

2 1. Page 26, after line 22 by inserting:

3 <DIVISION  
4 MOTOR VEHICLE DEALERS

5 Sec. \_\_\_\_\_. Section 321.48, Code 2014, is amended by  
6 adding the following new subsection:

7 NEW SUBSECTION. 2A. Notwithstanding subsections 1  
8 and 2, requirements in those subsections for obtaining  
9 title to a vehicle or acknowledging assignment and  
10 warranty of title do not apply to a dealer who sells  
11 a motor vehicle to a purchaser in a consignment  
12 transaction authorized under section 322.7B.

13 Sec. \_\_\_\_\_. Section 321.57, subsection 1, Code 2014,  
14 is amended to read as follows:

15 1. A dealer owning any vehicle of a type otherwise  
16 required to be registered under this chapter may  
17 operate or move the vehicle upon the highways solely  
18 for purposes of transporting, testing, demonstrating,  
19 or selling the vehicle without registering the vehicle,  
20 upon condition that the vehicle display in the manner  
21 prescribed in sections 321.37 and 321.38 a special  
22 plate issued to the owner as provided in sections  
23 321.58 through 321.62. A dealer may operate or move  
24 upon the highways a vehicle owned by the dealer for  
25 either private or business purposes, including hauling  
26 a load or towing a trailer, without registering it  
27 if the vehicle is in the dealer's inventory and is  
28 continuously offered for sale at retail, and there is  
29 displayed on it a special plate issued to the dealer as  
30 provided in sections 321.58 through 321.62. A dealer  
31 may operate or move upon the highways an unregistered  
32 vehicle owned by a lessor licensed pursuant to chapter  
33 321F solely for the purpose of delivering the vehicle  
34 to the owner or transporting the vehicle to or from an  
35 auction if there is displayed on the vehicle a special  
36 plate issued to the dealer as provided in sections  
37 321.58 through 321.62.

38 Sec. \_\_\_\_\_. Section 321.60, Code 2014, is amended to  
39 read as follows:

40 **321.60 Issuance of special plates.**

41 The department shall ~~also~~ issue special plates  
42 as applied for, which shall display the general  
43 distinguishing number assigned to the applicant. Each  
44 plate so issued shall also contain a number or symbol  
45 identifying the plate and distinguishing it from every  
46 other plate bearing the same general distinguishing  
47 number. The fee for each special plate is forty  
48 dollars for a two-year period or part thereof. The fee  
49 for a special plate used on a vehicle that is hauling a  
50 load or towing a trailer is seven hundred fifty dollars

1 for a two-year period or part thereof.

2 Sec. \_\_\_\_\_. Section 321.69A, subsection 1, paragraph  
3 a, subparagraph (2), Code 2014, is amended to read as  
4 follows:

5 (2) The actual cost of any labor or parts charged  
6 to or performed by the dealer for any such repairs,  
7 adjustments, or parts does not exceed four percent of  
8 the dealer's adjusted cost manufacturer's suggested  
9 retail price.

10 Sec. \_\_\_\_\_. Section 321.69A, subsections 2 and 3,  
11 Code 2014, are amended to read as follows:

12 2. A person licensed as a new motor vehicle dealer  
13 pursuant to chapter 322 shall disclose in writing, at  
14 or before the time of sale or lease, to the buyer or  
15 lessee of a new motor vehicle that the vehicle has been  
16 subject to any repairs of damage to or adjustments on  
17 or replacements of parts with new parts if the actual  
18 cost of any labor or parts charged to or performed by  
19 the dealer for any such repairs, adjustments, or parts  
20 exceeds four percent of the dealer's adjusted cost  
21 manufacturer's suggested retail price. The written  
22 disclosure shall include the signature of the buyer or  
23 lessee and be in a form and in a format approved by  
24 the attorney general by rule. A dealer shall retain a  
25 copy of each written disclosure issued pursuant to this  
26 section for five years from the date of issuance.

27 3. As used in this section, ~~"dealer's adjusted~~  
28 ~~cost"~~ "manufacturer's suggested retail price" means  
29 the amount ~~paid by the dealer to the manufacturer or~~  
30 ~~other source for the vehicle, including any freight~~  
31 ~~charges, but excluding any sum paid by the manufacturer~~  
32 ~~to the dealer as a holdback or other monetary incentive~~  
33 ~~relating to the vehicle required to be disclosed by a~~  
34 dealer pursuant to 15 U.S.C. §1232(f)(4).

35 Sec. \_\_\_\_\_. Section 321.105A, subsection 2, paragraph  
36 c, subparagraph (14), Code 2014, is amended to read as  
37 follows:

38 (14) Vehicles purchased by a licensed motor vehicle  
39 dealer for resale or primarily for use by the dealer's  
40 customers while the customers' vehicles are being  
41 serviced or repaired by the dealer.

42 Sec. \_\_\_\_\_. **NEW SECTION. 322.7B Consignment sales**  
43 **of motor trucks.**

44 A licensed motor vehicle dealer may sell a used  
45 motor truck on a consignment basis if all of the  
46 following conditions apply:

47 1. The dealer is licensed to sell used motor  
48 vehicles.

49 2. The motor truck offered for sale has a gross  
50 vehicle weight rating of twenty-six thousand one or

1 more pounds.

2 3. The dealer prominently displays the words  
3 "consignment vehicle" on the motor truck and indicates  
4 clearly in the sales documentation that the motor  
5 truck is a consignment vehicle. The dealer shall put  
6 customers on notice that the dealer does not have title  
7 to the vehicle and does not warranty the title.

8 4. The purchaser certifies to the dealer that the  
9 person is either a corporation, limited liability  
10 company, or partnership or a person who files a  
11 schedule C or schedule F form for federal income tax  
12 purposes, and that the motor truck is being purchased  
13 for business purposes, and not for personal use.

14 5. The dealer assumes no liability for damages  
15 resulting from a customer's test drive of the motor  
16 truck, and the consignor maintains financial liability  
17 coverage as required under section 321.20B or 325A.6,  
18 as appropriate, for the motor truck throughout the term  
19 of the consignment.

20 Sec. \_\_\_\_\_. Section 322.9, subsection 2, paragraphs  
21 a, b, and c, Code 2014, are amended to read as follows:

22 a. Failing upon the sale or transfer of a vehicle,  
23 except upon the sale of a vehicle under section  
24 322.7B, to deliver to the purchaser or transferee of  
25 the vehicle sold or transferred, a manufacturer's or  
26 importer's certificate, or a certificate of title duly  
27 assigned, as provided in chapter 321.

28 b. Failing upon the purchasing or otherwise  
29 acquiring of a vehicle, except a vehicle acquired  
30 on consignment under section 322.7B, to obtain a  
31 manufacturer's or importer's certificate, or a  
32 certificate of title duly assigned as provided in  
33 chapter 321.

34 c. Failing upon the purchasing or otherwise  
35 acquiring of a vehicle, except a vehicle acquired on  
36 consignment under section 322.7B, to obtain a new  
37 certificate of title to such vehicle when and where  
38 required in chapter 321.>

39 2. By renumbering as necessary.

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